

BEFORE THE IDAHO BOARD OF TAX APPEALS

AUTO OIL CHANGE, LC,	)	
	)	
Appellant,	)	APPEAL NO. 14-A-1065
	)	
v.	)	FINAL DECISION
	)	AND ORDER
BONNEVILLE COUNTY,	)	
	)	
Respondent.	)	
	)	
	)	
	)	

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**COMMERCIAL PROPERTY APPEAL**

This appeal is taken from a decision of the Bonneville County Board of Equalization denying the protest of valuation for taxing purposes of property described by Parcel No. RPA00007249379. The appeal concerns the 2014 tax year.

This matter came on for hearing October 23, 2014 in Idaho Falls, Idaho before Board Member David Kinghorn. Manager Ross Burton represented Appellant. Assessor Blake Mueller represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

**The issue on appeal concerns the market value of a commercial property.**

**The decision of the Bonneville County Board of Equalization is affirmed.**

**FINDINGS OF FACT**

The assessed land value is \$152,460, and the improvements' valuation is \$91,169, totaling \$243,629. Appellant contends the correct land value is \$70,133, and the improvements' value is \$91,169, totaling \$161,302.

The subject property is a 21,780 square foot commercial parcel improved with a 1,817 square foot oil change service station located in Idaho Falls, Idaho.

Appellant explained subject's assessed land value increased over \$40,000 in one (1)

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support a determination of fair market value, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2014 in this case. Market value is defined in Idaho Code § 63-201, as,

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Market value is estimated according to recognized appraisal methods and techniques. There are three (3) approaches to value, the sales comparison approach, the cost approach, and the income approach. *Merris v. Ada County*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). Respondent estimated subject’s value considering all three (3) approaches.

Appellant’s main contention was with the 2014 increase in subject’s land value, particularly the value attributable to the easement(s). It was explained the cost to repair the entrance roads was shared amongst the businesses, however, none of the property taxes for the easement areas were shared, thus creating a tax burden on Appellant.

Respondent evaluated subject using all three (3) approaches to value. The sales comparison approach indicated a total value of \$229,047. The cost approach resulted in an estimated total value of \$243,629. Lastly, using the income approach, a value of \$251,946 was concluded. Respondent ultimately chose to value subject primarily on the cost approach.

In appeals to this Board, the burden is with the Appellant to establish that the county valuation is erroneous by a preponderance of the evidence. Idaho Code § 63-511. In this

instance, the Board finds that burden has not been satisfied. We did not find any market value evidence to support Appellant's requested value. Although we understand the dilemma Appellant faces with the easement and taxes, such easements do not escape assessment. Respondent's detailed analysis supported subject's assessed value. The decision of the Bonneville County Board of Equalization is affirmed.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Bonneville County Board of Equalization concerning the subject parcel be, and the same hereby is, AFFIRMED.

DATED this 2<sup>nd</sup> day of March, 2015.